## **REMARKS:**

In the Office Action the Examiner noted that claims 101-109 are pending in the application, and the Examiner rejected all claims. By this Amendment, claims 101-106 and 109 have been amended. Claims 1-100 remain cancelled. No new matter has been presented.

Thus, claims 101-109 are pending in the application. The Examiner's rejections are traversed below, and reconsideration of all rejected claims is respectfully requested.

## **CLAIM REJECTIONS UNDER 35 USC § 101:**

In item 3 on page 2 of the Office Action the Examiner rejected claims 101, 102, and 107-109 under 35 U.S.C. § 101.

By this Amendment, pertinent claims have been amended and no longer include the language in the form rejected by the Examiner.

Therefore, withdrawal of the rejection is respectfully requested.

## **CLAIM REJECTIONS UNDER 35 USC § 103:**

In item 5 on page 3 of the Office Action the Examiner rejected claims 101-108 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,056,019 (<u>Schultz</u>) in view of Patent No. 5,201,010 (<u>Deaton</u>), in further view of U.S. Patent No. 4,882,675 (<u>Nichtberger</u>).

The Office Action does not seem to address independent claim 109. Applicants respectfully request clarification regarding this claim. The claimed features of claim 109 are patentably distinguishable for at least the reasons set forth below.

Claim 101, by way of example, recites, "computer on the store side configured to receive a customer transaction information from the customer terminal owned by the customer", receiving "a customer identification information...", sending "regardless of the customer's request for sending points... the customer's current cumulative points... after identifying the customer and prior to performing the customer transaction by the customer", where the point issuing unit is "located separately from the customer terminal owned by the customer receiving the customer's current cumulative points after said identifying the customer." See also other independent claims reciting similar features.

Similarly, claim 109 recites, "updating points... including one of adding interest points according to the cumulative points using a predetermined rate", "identifying the customer to

enable the customer transaction without requiring the customer to physically visit a store" and "sending, regardless of the customer's request for sending points, the current cumulative points after identifying the customer and prior to performing the customer transaction by the customer" (emphasis added).

<u>Schultz</u>, <u>Deaton</u>, and <u>Nichtberger</u> do not teach or suggest the above-identified features of the claimed invention.

The Office Action appears to broadly interpret the point of sale to be located at a customer side, because the Office Action asserts that is where the customer interacts with the system, as in <u>Deaton</u>. Further the Office Action appears to broadly interpret the user of the card at the point of sale to be located at a customer side, because it is where the customer interacts with the system, as in <u>Nichtberger</u>. Applicants respectfully disagree with this assertion because such interpretation is inconsistent with the teachings of the <u>Deaton</u> and <u>Nichtberger</u> for at least the reasons set forth below.

Assuming, *arguendo*, that the Examiner's broad interpretation is in light of the Specification of the present application and the claim language as a whole, the interpretation that the point of sale in <u>Deaton</u> is located at the customer's home would render the <u>Deaton</u> system inoperable for its intended purpose of dissemination of Point-Of-Sale coupons via POS terminals at a store that executes a transaction when a customer hands a check to a store clerk. It is not possible for the POS system in <u>Deaton</u> to be on the customer's side and also disseminate coupons via a terminal located at a store.

Similarly, <u>Nichtberger</u> would be inoperable for its intended purpose of having a customer insert his or her special card into a CDR 120, displaying a coupon selection list for customers on a screen of the CDR 120, having the customer select one of the coupons among from the listed coupons which the customer wishes to get (see, col. 17, lines 30-61). The Examiner's interpretation would render <u>Nichtberger</u> unsatisfactory for its intended purpose of presenting a display of coupons for use in a particular store while the customer is in the store for redeeming of the coupons upon completion of shopping.

The Office Acton alleges that the <u>Schultz</u> periodic status report indicating the member consumer's progress toward earning rewards is sent regardless of the customer's request since it comes on a time basis. Applicants respectfully point out that <u>Schultz</u> is silent regarding sending "customer's current cumulative points… after identifying the customer…", as taught by

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the claimed invention. Schultz thus fails to teach that the report is sent to a customer terminal as

a result of the customer identification.

The cited references, alone or in combination, do not teach or suggest a store side

connected "via a public to a customer terminal owned by the customer" to implement the above-

identified operations. For example, as can be seen in Fig. 2 of the present application, each of

the customer terminals 30a and 30b is connected to the communication controller 26 at the store

side via the public circuit 24, i.e., public network.

Claims depending from the independent claims include all of the features of that claim

plus additional features which are not disclosed by the cited references. For at least the above-

mentioned reasons, claims depending from the independent claims are patentably

distinguishable over the cited references. The dependent claims are also independently

patentable.

For example, claim 107 recites sending the points is implemented "without requiring

receipt of a request for the customer's cumulative points from the customer and in response to

said identifying of the customer." The cited references do not teach or suggest these features of

the claimed invention.

Therefore, withdrawal of the rejection is respectfully requested.

CONCLUSION:

There being no further outstanding objections or rejections, it is respectfully submitted

that the application is in condition for allowance. An early action to that effect is courteously

solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is

requested to telephone the undersigned to attend to these matters. If there are any additional

fees associated with filing of this Amendment, please charge the same to our Deposit Account

No. 19-3935.

Respectfully submitted,

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